

Priority Setting Session Results

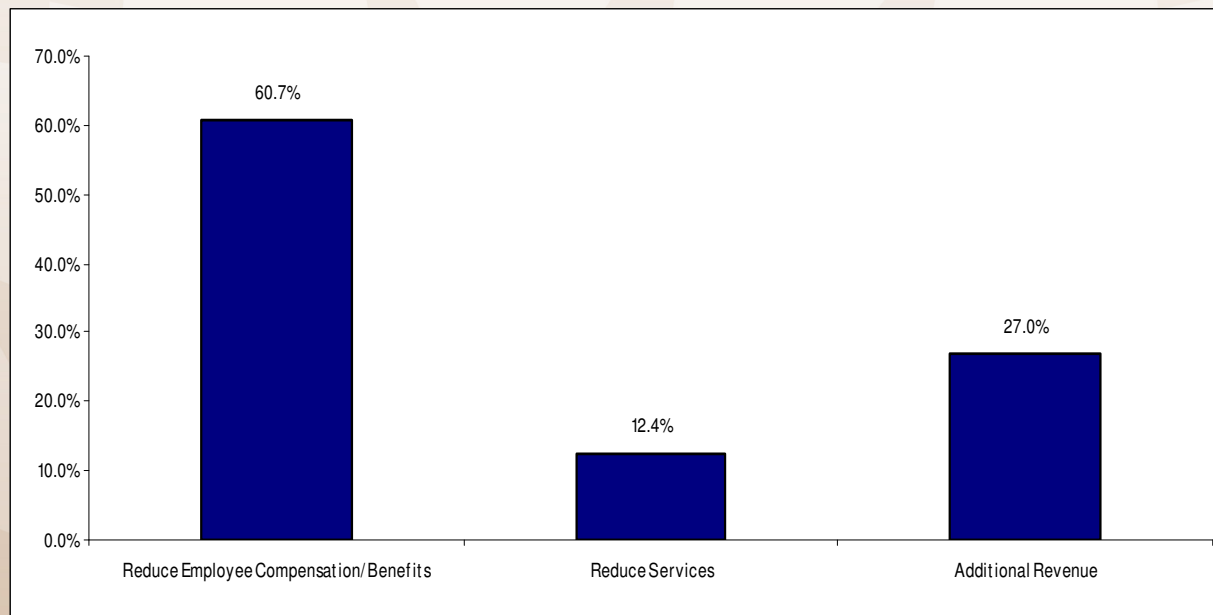
Office of Mayor Chuck Reed



Question 1

The City currently provides many services to its residents, but will not generate enough revenue to continue providing services at current levels in the future. Please tell me which of the following should be the highest priority on how to address the budget shortfall.

1. Reducing City employee compensation and retirement benefits
2. Reducing existing City services
3. Raising additional revenue, including taxes and fees.

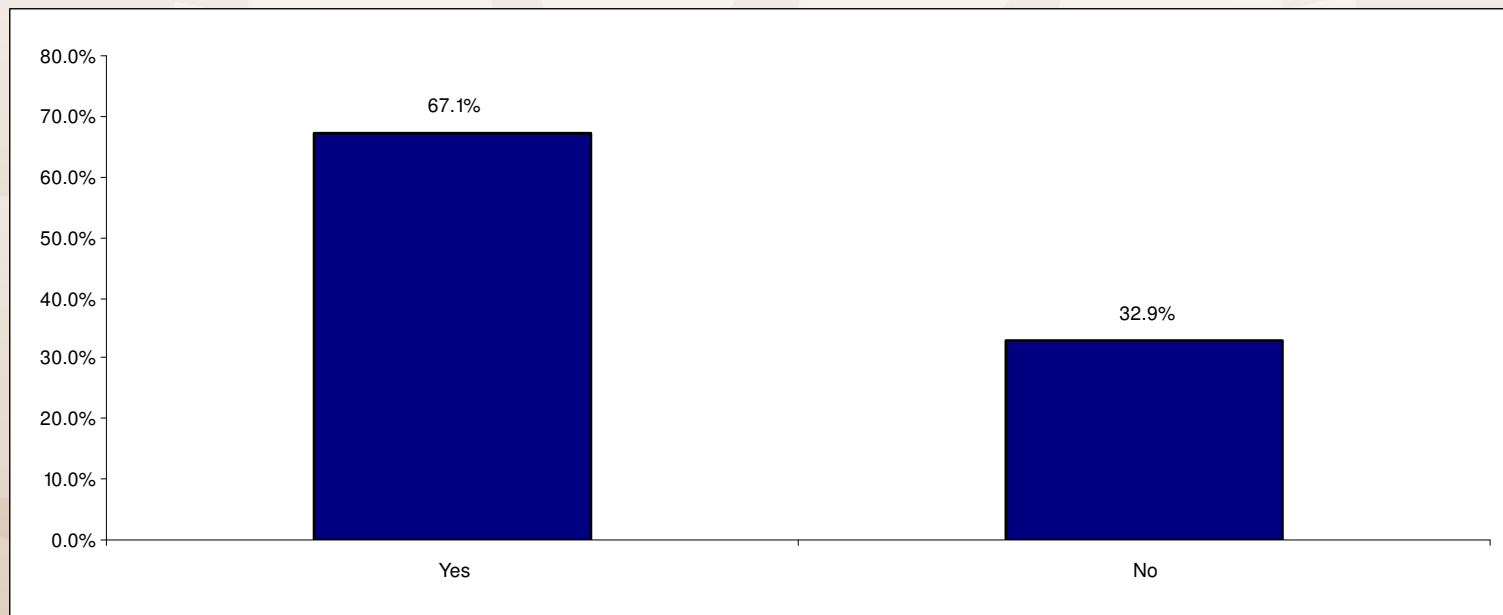


Question 2

Another strategy the City of San José could pursue to reduce expenses is contracting out some City services to private companies, and eliminating the positions of City workers who currently provide those services. Should San José pursue contracting out some services?

1. Yes

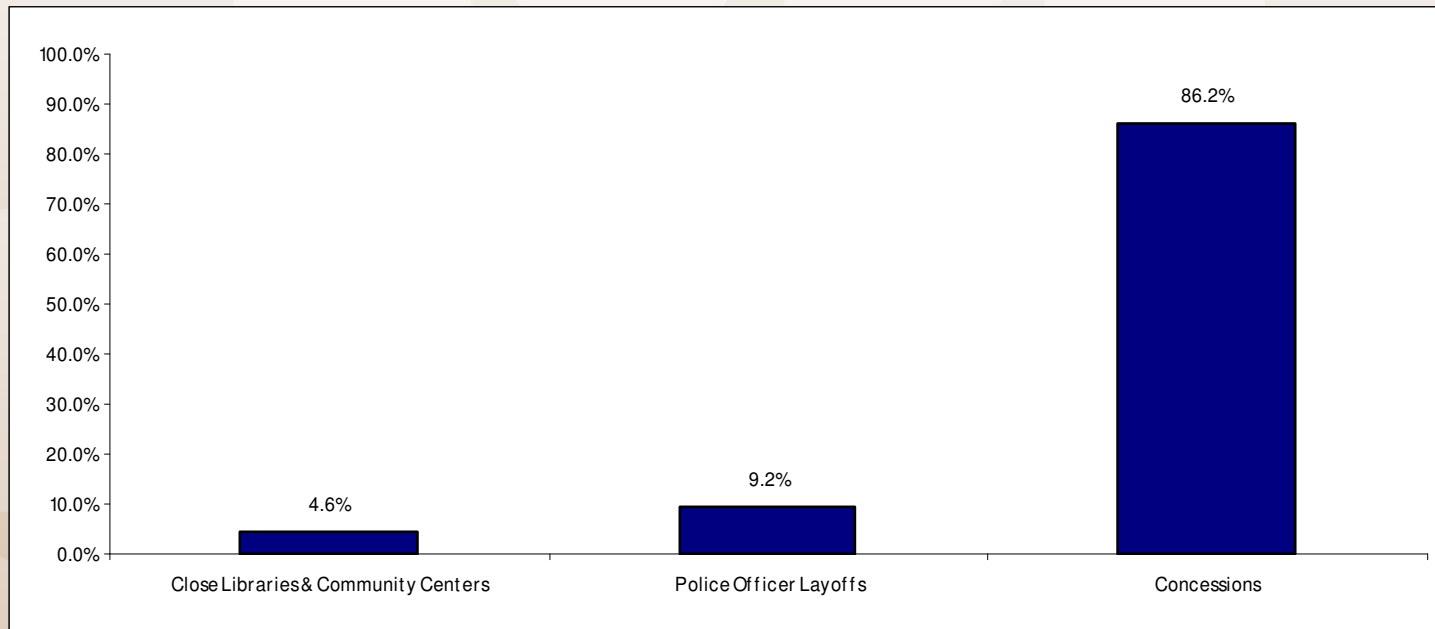
2. No



Question 3

Costs for the Police Department budget are currently estimated to increase by \$28M primarily due to retirement and health benefit increases. How should we deal with this shortfall in the Police Department?

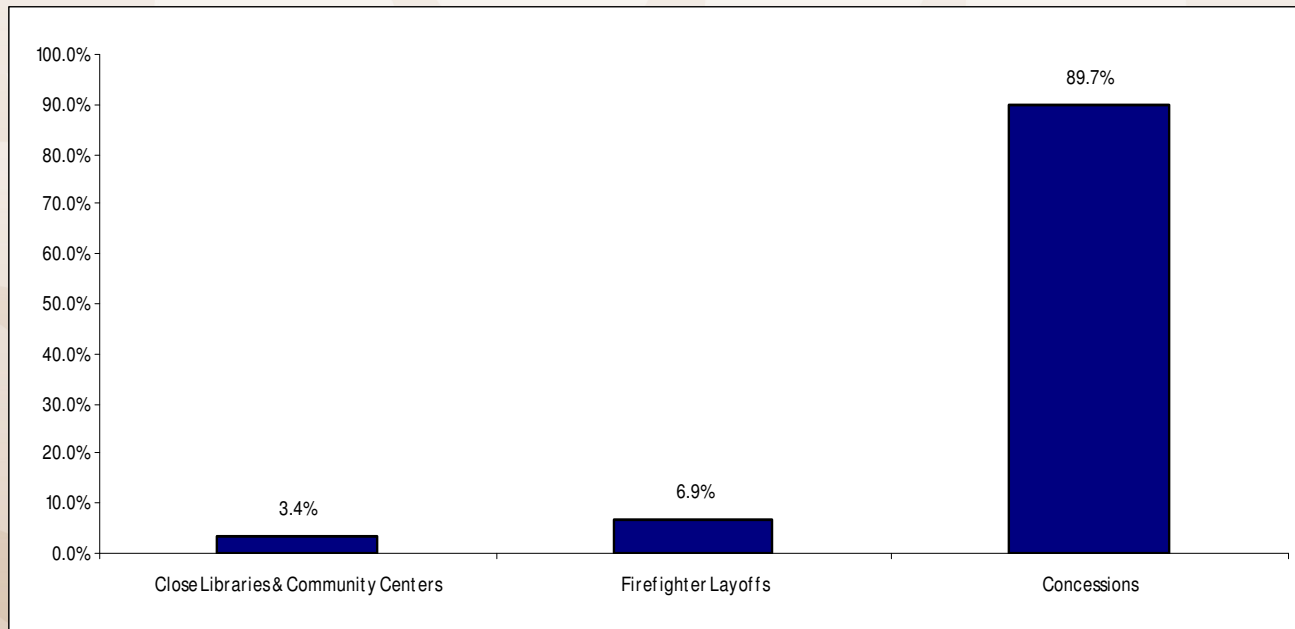
1. Close Libraries and Community Centers
2. Police Officer layoffs
3. Police Officer wage and benefit concessions



Question 4

Costs for the Fire Department budget are currently estimated to increase by \$21M primarily due to retirement and health benefit increases. How should we deal with this shortfall in the Fire Department?

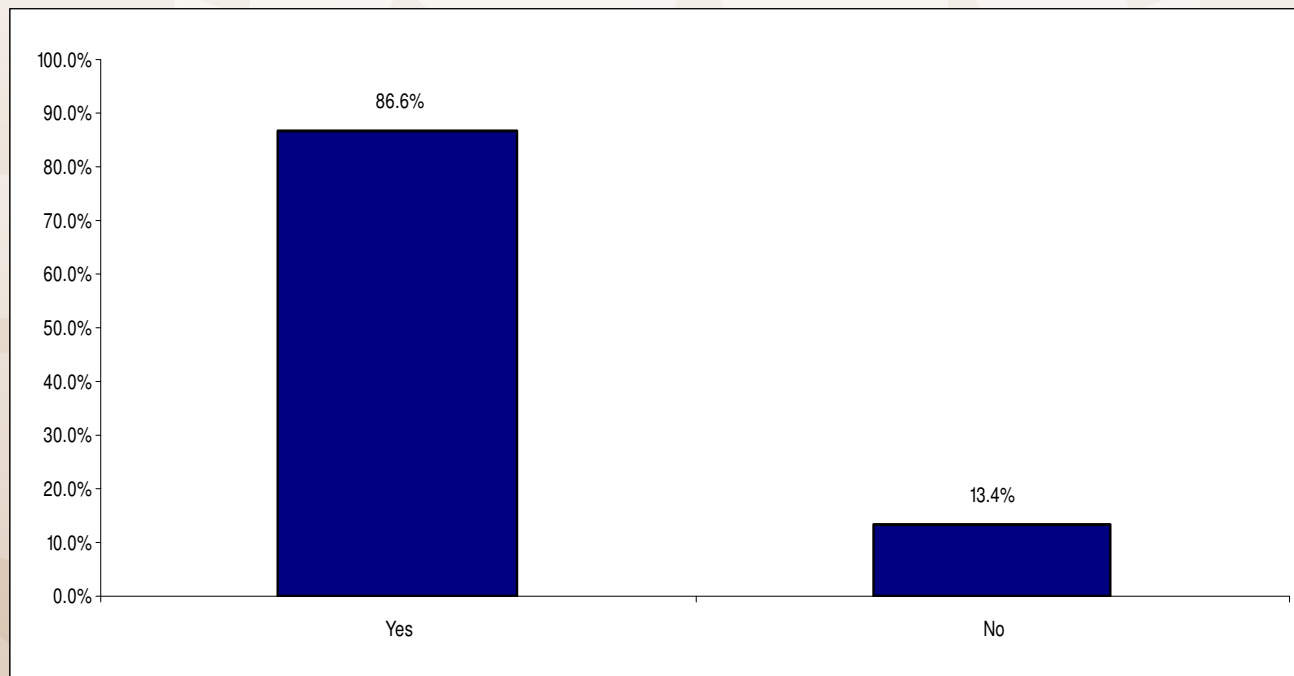
1. Close Libraries and Community Centers
2. Firefighter layoffs
3. Firefighter wage and benefit concessions



Question 5

A current benefit some employees receive is cashing out unused sick leave. Last year the City paid out \$14.6M. Should San José change the policy of paying City employees for a portion of their unused sick leave?

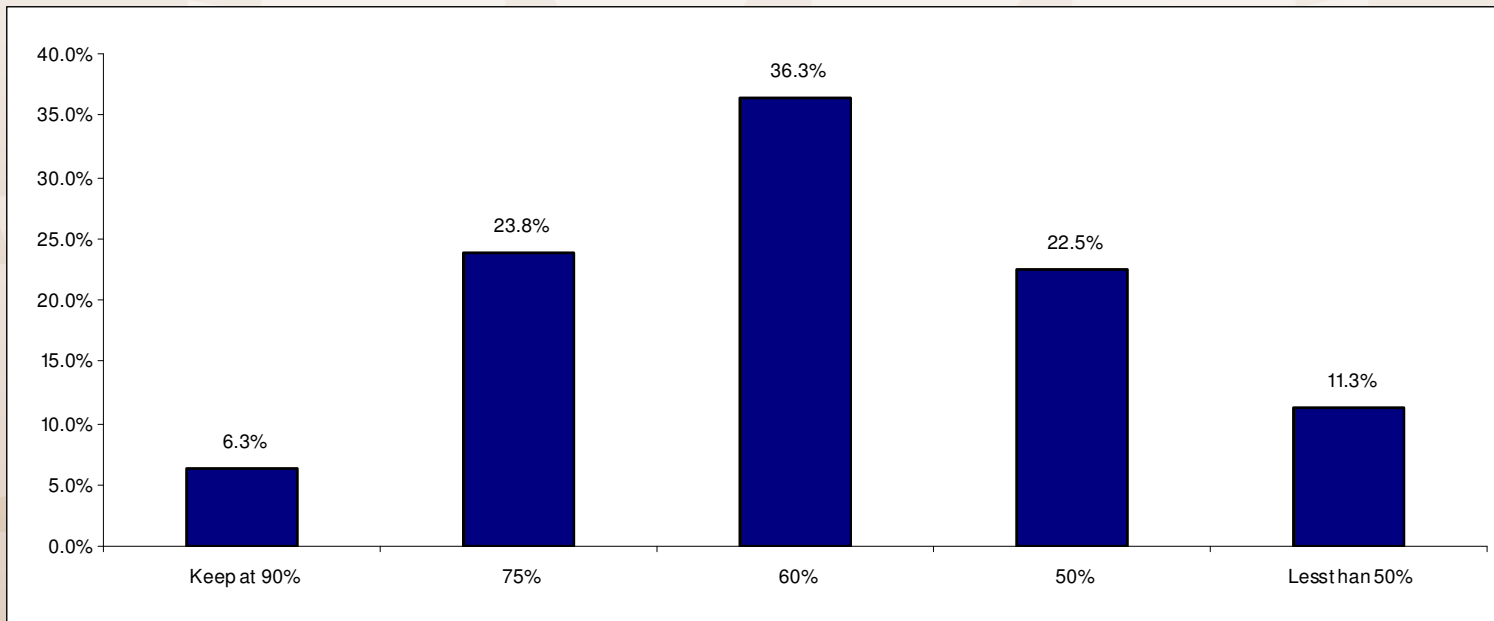
1. Yes
2. No



Question 6

The City's current retirement system allows public safety employees such as police officers and firefighters to receive pensions equaling up to 90 percent of their highest annual salaries. What do you think the maximum pensions should be for newly-hired public safety employees?

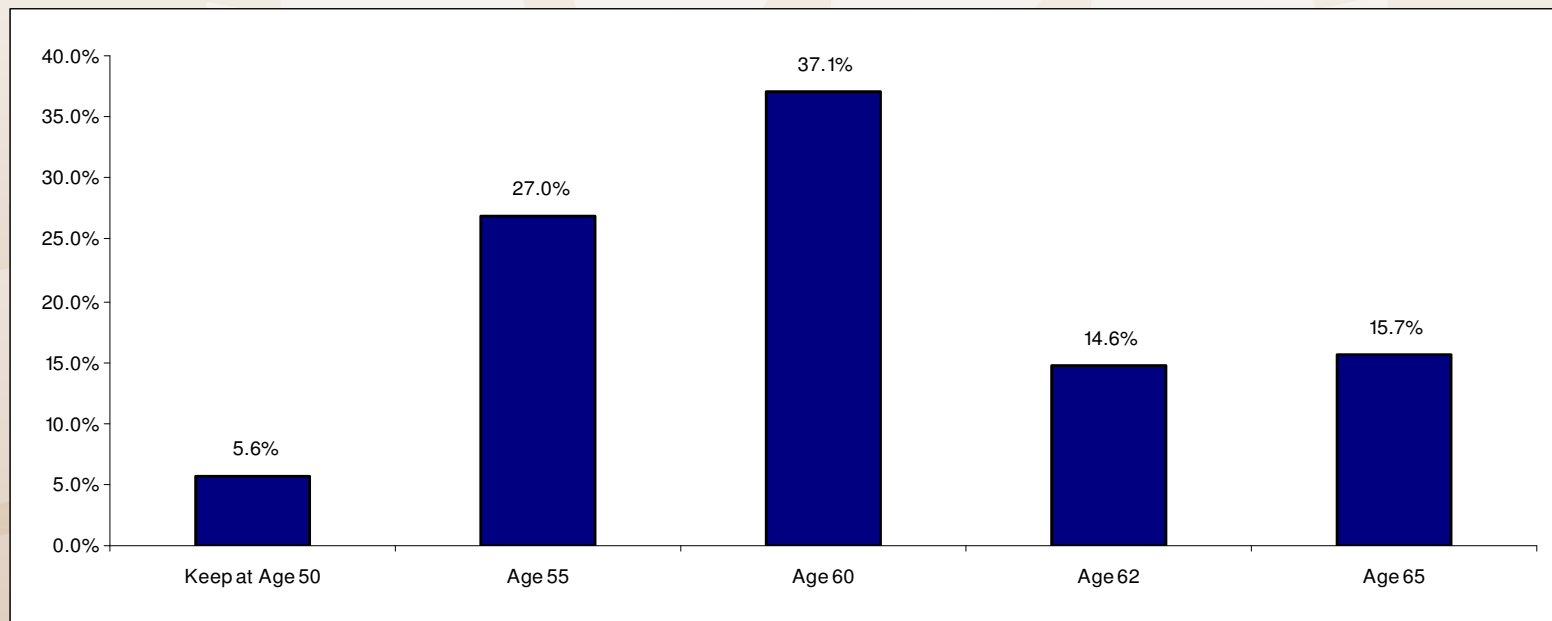
1. Keep at 90% of their highest year's salary
2. Be limited to 75% of their highest year's salary
3. Be limited to 60% of their highest year's salary
4. Be limited to 50% of their highest year's salary
5. Less than 50% of their highest year's salary



Question 7

San José police officers and firefighters currently can retire at 50 years of age. If the decision were yours, what do you think the retirement age should be for public safety employees?

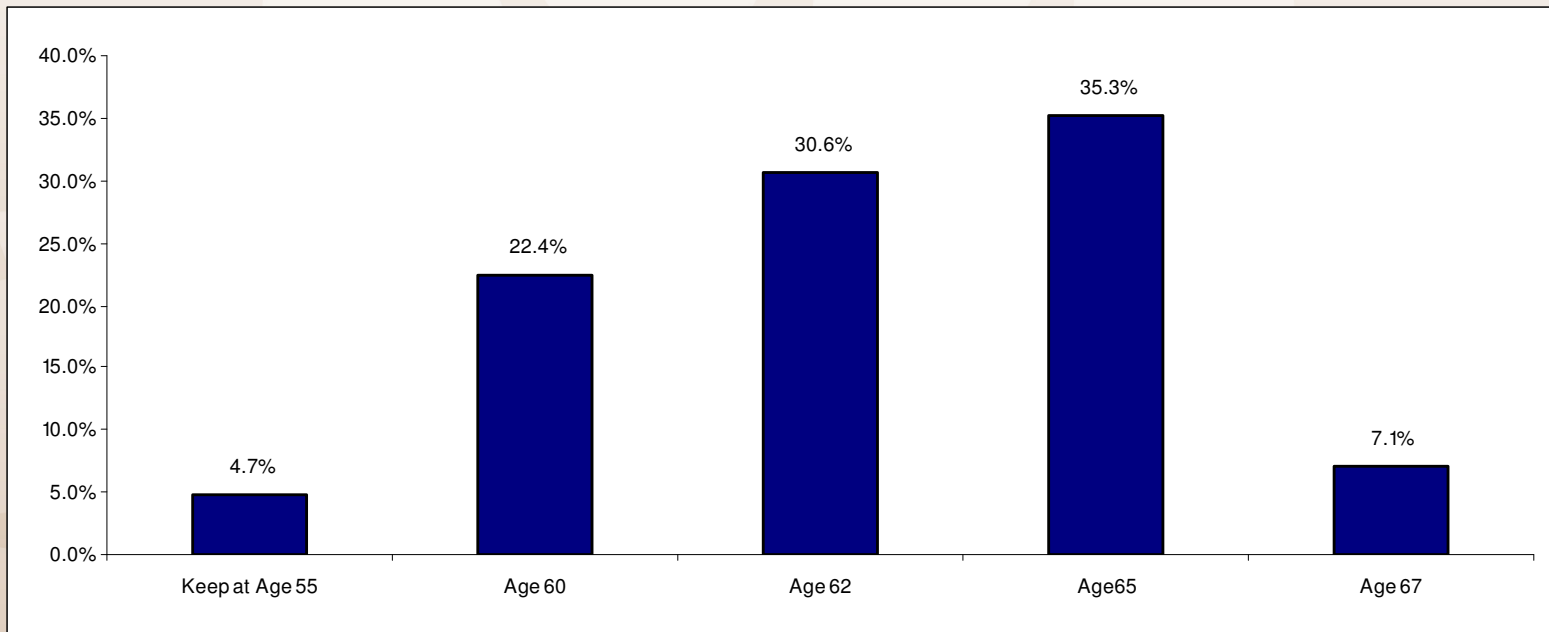
1. Keep the retirement age for public safety employees at age 50
2. Increase the retirement age to 55
3. Increase the retirement age to 60
4. Increase the retirement age to 62
5. Increase the retirement age to 65



Question 8

All other City employees – except police officers and firefighters – currently can retire at 55 years of age. If the decision were yours, what should the retirement age be for non public safety employees?

1. Keep the retirement age for non public safety employees at 55
2. Increase the retirement age to 60
3. Increase the retirement age to 62
4. Increase the retirement age to 65
5. Increase the retirement age to 67

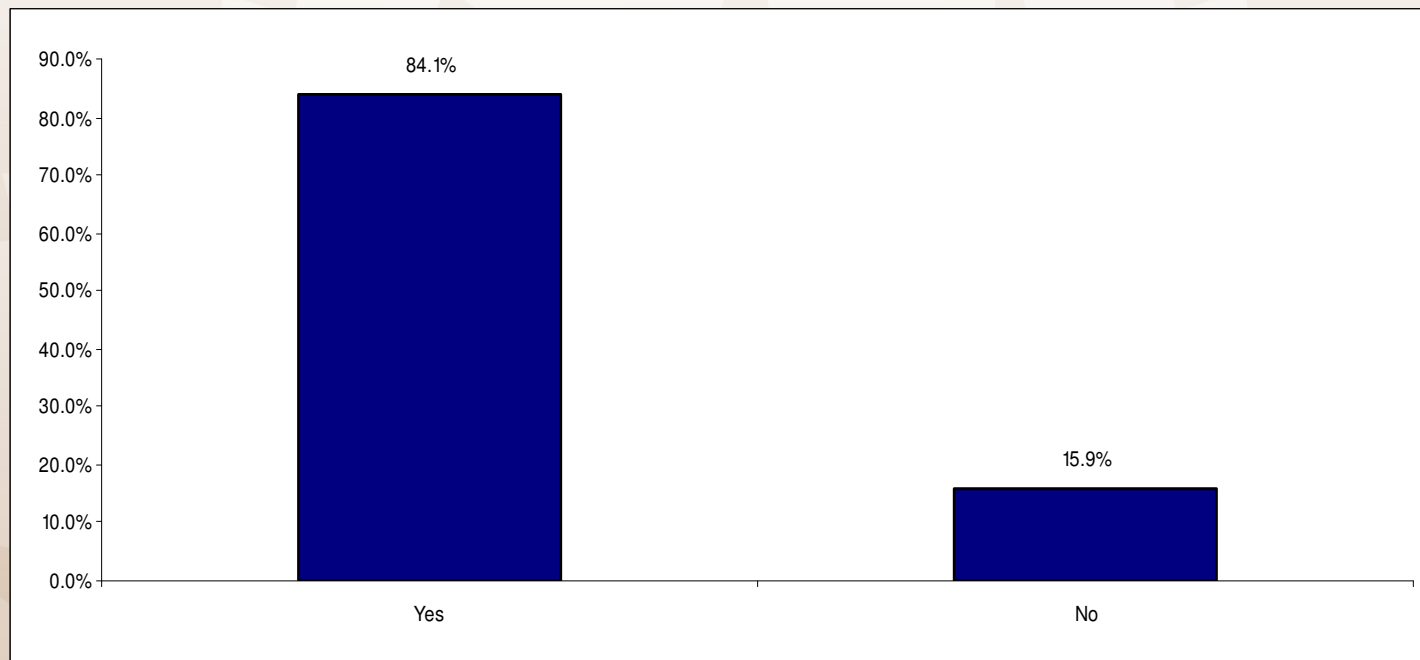


Question 9

Retiree pension payments currently receive a fixed 3% “Cost of Living Allowance.” This increase is a guaranteed increase provided year to year. Should San José lower the cost of living adjustments applied to their pension benefits for retirees?

1. Yes

2. No



Question 10

Today, retirees have a defined pension and health benefit package. There are three alternatives that municipalities are considering, which do you support?

1. Maintain status quo where City employees receive a defined pension health care package
2. In lieu of the existing formulas, the City could pay into a defined contribution (such as a 401k) for each employee while still employed
3. The City could offer a hybrid retirement package, where the City provides a reduced defined pension augmented with a defined contribution component such as a 401k

